

This record is a partial extract of the original cable. The full text of the original cable is not available.

291555Z Dec 05

UNCLAS SECTION 01 OF 02 TEL AVIV 007096

SIPDIS

SENSITIVE

NEA FOR IPA

E.O. 12958: N/A

TAGS: [PGOV KWBG KPAL IS SETTLEMENTS ISRAELI PALESTINIAN AFFAIRS GOI INTERNAL](#)  
SUBJECT: PERETZ: REMOVE ILLEGAL OUTPOSTS, SPEED UP PEACE  
PROCESS

REF: TEL AVIV 7059

1. (SBU) Summary: Labor Party Chairman Amir Peretz, who has tried to focus the Israeli electorate on economic issues (reftel), recently criticized the proliferation of Israeli outposts and expansion of settlements in the West Bank as damaging to Israel's international reputation and to prospects for developing the Negev and the Galilee. Peretz also criticized the roadmap process in favor of immediate final status talks with the Palestinians, a stance that may soon evolve into a more fleshed-out platform calling for possible long-term leasing of West Bank settlements from the Palestinians based on a "Hong Kong" model. End Summary.

-----  
Outposts And Settlements "Damaging"  
-----

2. (SBU) In recent media interviews, Labor Party Chairman Amir Peretz has begun to stake out positions on the peace process and security issues, and has been particularly critical of Prime Minister Sharon's policy toward illegal outposts. He told the Jerusalem Post December 26 that, were he elected prime minister, he would "immediately adopt the recommendations of the Talia Sasson report and dismantle the illegal outposts." Ha'aretz December 28 quoted Peretz as saying, "The outposts are damaging Israel's image as a lawful state. While Sharon continues funneling resources to the outposts he ignores the periphery towns, the Negev and the Galilee." Peretz said he considers "the fact that Sharon is considering reaching a compromise between the rule of law and the Yesha council (of the West Bank settlements)" an "unheard of scandal," according to a Ha'aretz report. Peretz submitted a bill to the Knesset November 16 that would grant compensation to any West Bank settlement where 60 percent of the residents agreed to leave voluntarily. He reportedly intends for this bill to preserve the momentum of disengagement from the Gaza Strip and four northern West Bank settlements.

-----  
Peretz Critical of Roadmap  
-----

3. (SBU) In other reports, Peretz all but dismissed the relevance of the roadmap. According to Yedioth Ahronoth, Peretz told 25 European Union diplomats December 8 that "the road map is a formula for utter political stagnation that could last for decades. It is a waste of our time." Yedioth reported that he argued further that "the road map is not sacred, and is also a condition for negotiations on the final status arrangement. It can be skipped." Peretz also spoke to Yedioth about Israel's relations with Palestinian Authority Chairman Mahmud Abbas. "I do not accept the approach that there is no partner," Peretz said, because it "perpetuates the conflict between the Israelis and the Palestinians."

4. (SBU) Peretz backpedaled somewhat December 10 from his criticism of the roadmap, when he told Yedioth that he is opposed to canceling the roadmap agreement, since it was signed by the two sides with international backing and supervision. "The map's problem is that it is given to many interpretations," Peretz explained, "and can be acceptable both to the extreme right and the extreme left. There is the possibility of a Palestinian state in this plan, but also the possibility of a deep freeze." Labor MK and close Peretz confidante Yuli Tamir confirmed to Poloff December 29 that Peretz does not dismiss the roadmap, but rather believes it is open to interpretation and to attempts to stall the peace process.

5. (SBU) Peretz also found fault with the roadmap in recent media reports because it calls for a provisional Palestinian state, which he said "will remain hostile towards Israel, whereas the Palestinian state in the final status arrangement will be of a friendly nature to Israel. The final status arrangement should be accelerated instead of the roadmap." In a December 12 interview with Ma'ariv, Peretz again

stressed this position, stating, "I am in favor of a final status arrangement, in favor of quick negotiations immediately after the elections." Tamir said that Peretz believes that terrorism can be prevented by empowering those Palestinians who want to negotiate with Israel. She said that these Palestinians need to show they can deliver something to the people.

16. (SBU) Tamir also confirmed that Labor is also discussing inclusion of a so-called "Hong Kong" model for inclusion in its peace process platform, as reported December 28 in Ha'aretz. This option would provide for the long-term leasing by the GOI of settlement blocs from the Palestinians, adopting the model of Great Britain and China with regard to Hong Kong. (Comment: We are uncertain of the extent of Peretz's knowledge of Asian history. Hong Kong (Hong Kong island and Kowloon) was ceded in perpetuity to Britain after China's defeat in the Opium Wars. The New Territories were leased to Britain by the Qing Dynasty government in 1898 under duress. This is hardly a historical model that a left-leaning Labor politician should want to emulate to solve the settlement question. End comment.)

\*\*\*\*\*  
Visit Embassy Tel Aviv's Classified Website:  
<http://www.state.sgov.gov/p/nea/telaviv>

You can also access this site through the State Department's Classified SIPRNET website.

\*\*\*\*\*  
CRETZ